

Gzj kdlw'K



Rossello promises to challenge Puerto Rico's enacted FY17 budget -- Conference Coverage

13 October 2016 | 17:15 EDT

New Progressive Party gubernatorial candidate Ricardo Rossello said today that he would ask the Puerto Rico control board to review the "illegal budget" currently in place.

The Puerto Rico Oversight, Management and Economic Stability Act allows the board to review commonwealth laws already in place, and Rossello has already asked it to undertake a review of the current administration's budget, he said via teleconference during today's *Association of Financial Guaranty Insurers* conference.

"In our view, the current administration has embarked on an illegal budget," he said. "We've asked the current board members to reevaluate the current budget to make it constitutional again."

The enacted FY17 budget contemplates no payment on general obligation (GO) bond debt service after Governor Alejandro Garcia Padilla vetoed a bill allocating USD 370m in interest, as reported. The GOs fell into default when Puerto Rico skipped a USD 779m payment on its constitutional debt 1 July. Puerto Rico's constitution does not allow for such a vacuum, Rossello said.

by Andrew Scurria

Municipals

Government
Puerto Rico

Issuer

Government Development Bank For Puerto Rico

Issuer

Government Of Puerto Rico

Issuer

Puerto Rico (Commonwealth Of) Employee Retirement System

Issuer

Puerto Rico Convention Center District Authority

Issuer

Puerto Rico Highways And Transportation Authority

Issuer

Puerto Rico Infrastructure Financing Authority

Issuer

Puerto Rico Public Building Authority

Issuer

University Of Puerto Rico

Other

Ambac Assurance Corporation

Other

Assured Guaranty Corp

Other

Financial Guaranty Insurance Company (FGIC)

Other

National Public Finance Guarantee Corporation

Other

Syncora Guarantee Inc.

Obligor

Government Development Bank For Puerto Rico

Obligor

Government Of Puerto Rico

Obligor

Puerto Rico (Commonwealth Of) Employee Retirement System